BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 96-173-W - ORDER NO. 96-555

AUGUST 14, 1996

IN RE: Application of Lockhart Power Company) ORDER for Approval to Transfer its Potable) APPROVING Water Distribution System to the Town of Lockhart.

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Lockhart Power Company (Lockhart or the Company) to transfer its water distribution system in Lockhart, South Carolina to the Town of Lockhart (the Town). An agreement to that effect has been reached between the parties, subject to Commission approval.

By letter, the Commission's Executive Director instructed
Lockhart to publish, one time, a prepared Notice of Filing and to
mail the Notice to each affected customer. The Notice of Filing
indicated the nature of Lockhart's Application and instructed
interested parties of the manner and time in which to intervene as
a party of record in the proceeding. Lockhart submitted
documentation stating that it had complied with the instructions
of the Executive Director. No Petitions to Intervene or Letters
of Protest were received by the Commission.

The transfer requested by Lockhart is subject to the provisions of Commission Regulation 103-704. The Commission notes

that a "due hearing" is required by that Regulation. Lockhart requests a waiver of the due hearing in this case. Pursuant to Regulation 103-701(3), the Commission may waive its Regulations upon a finding by the Commission that such waiver is in the public interest. We have examined the matter in the present case, including the full record available, and have decided that the public interest would be served by the waiver in this case, in that it would expedite the transfer of the water distribution system to the Town. Therefore, we hold that no hearing shall be held.

We have examined the agreement in this matter, and find that it is fair and equitable to all parties. As part of the agreement between the parties, Lockhart's parent corporation has agreed to donate a total of \$267,000 to the Town to use in reducing excess inflow and infiltration of the wastewater collection system owned by the Town, to establish a reserve fund for necessary repairs and other emergencies relating to the water distribution system, and to partially subsidize water and sewer fees paid by customers of the Town. We believe that the agreement between the parties in this case should be approved. We believe that the transfer will present many advantages to the Company's customers in this case, including those as stated above.

IT IS THEREFORE ORDERED THAT:

 The transfer of Lockhart Power Company's water distribution system in Lockhart, South Carolina to the Town of Lockhart is hereby approved.

- 2. The hearing is waived.
- 3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Chairman

ATTEST:

Executive Director

(SEAL)